

By REDHEAD.]

[HOUSE FILE No. 619.—JUDICIARY.

A BILL

FOR AN ACT TO PREVENT FRAUDULENT TRANSFERS OF PROPERTY.

Be it enacted by the General Assembly of the State of Iowa :

SECTION 1. Every sale by an insolvent trader or merchant, of his stock in trade, or any
2 part thereof, out of the usual and regular course of his business, shall be, as to creditors,
3 *prima facie* fraudulent.

SEC. 2. Stocks of goods, purchased of insolvent debtors, out of the usual and regular
2 course of his business, shall be subject to the full value thereof, to the claims of creditors,
3 existing at the time of such transfers. The claims of such creditors may be enforced by
4 suit in equity, which proceeding must be instituted within ten days from the date of the
5 filing of a bill of sale transferring such property.

SEC. 3. No sale or transfer of a merchant's stock of goods shall be valid against the
2 claims of creditors existing at the time of such sale or transfer, unless the same be evi-
3 denced by a bill of sale, executed and acknowledged by the transferor, and recorded in the
4 office of the recorder of the county, where stock is situated.